

ASSET PURCHASE AGREEMENT

ASSET PURCHASE AGREEMENT dated as of May 28, 2003 (this "Agreement"), by and among Church of Christian Liberty ("Seller"), and Educational Media Foundation ("Buyer").

WITNESSETH:

WHEREAS, Seller holds an FCC construction permit authorizing the construction of new FM radio station WCLR at Arlington Heights, Illinois (the "Station"); and

WHEREAS, the Station is authorized by the FCC to operate on a share-time basis pursuant to a Time Sharing Arrangement with William Rainey Harper College, licensee of FM radio station WHCM at Palatine, Illinois;

WHEREAS, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller the Station on the terms and subject to the conditions set forth herein;

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements hereinafter set forth, the parties hereto agree as follows:

**ARTICLE I
PURCHASE OF ASSETS**

1.1 Description of Assets. The Assets consist of an FM Broadcast Station Construction Permit granted November 6, 2000, and expiring 36 months thereafter, authorizing construction of a radio transmitting apparatus described therein, subject to the following special operating condition: Hours of operation pursuant to Time Sharing Arrangement with 930111MB, Palatine, IL, William Rainey Harper College, Facility ID No. 72720, File Number BPED-19930111MB: 12:00 AM Fridays until 12:00 AM Mondays, except between December 16th and January 15; March 25th and March 31st; and May 21st and August 14th, when operation is permitted 24 hours daily.

1.2 Transfer of Assets. On the Closing Date (as hereinafter defined), subject to the satisfaction of the conditions contained herein, Seller shall sell, assign, transfer and convey to Buyer, and Buyer shall purchase from Seller, the Assets and any other assets held by Seller for use in connection with the Station. The Assets shall be transferred to Buyer free and clear of all liens, encumbrances, debts, security interests, mortgages, trusts, claims, pledges, charges, covenants, conditions or restrictions of any kind ("Liens"), but subject to the special operating conditions that appear on and are incorporated in the terms of the construction permit.

ARTICLE 2 ASSUMPTION OF OBLIGATIONS

2.1 No Assumption of Liabilities and Obligations. Except as otherwise specifically provided herein, Buyer shall not assume any obligations or liabilities of Seller.

ARTICLE 3 CONSIDERATION

3.1 Purchase Price. In consideration for the transfer of the Assets, Buyer shall, at Closing, pay to Seller the sum of Twenty Five Thousand Dollars (\$25,000) (the "Purchase Price"); by cashier's check or wire transfer of funds, as Buyer may elect.

ARTICLE 4 GOVERNMENTAL CONSENTS

4.1 FCC Application. Within five (5) business days after execution of this Agreement, the parties shall file with the FCC an application ("FCC Application") for assignment of the Authorizations from Seller to Buyer. The parties shall thereafter use all reasonable efforts to obtain the grant of the FCC Application as expeditiously as practicable (but no party shall have any obligation to satisfy complainants or the FCC by taking any steps which would have a material adverse effect on the results of operations of a party or any affiliated entity). If the FCC Consent imposes any condition on a party hereto, such party shall use reasonable efforts to comply with such condition; provided, however, that no party shall be required hereunder to comply with any condition that would have a material adverse effect on the results of operations of such party or any affiliated entity. If reconsideration or judicial review is sought with respect to the FCC Consent, the party affected shall vigorously oppose such efforts for reconsideration or judicial review; provided, however, such party shall not be required to take any action which would have a material adverse effect on the results of operations of such party or any affiliated entity. Nothing in this Section 4.2 shall be construed to limit a party's right to terminate this Agreement pursuant to Article 13 hereof.

ARTICLE 5 CLOSING

5.1 Closing. Except as otherwise mutually agreed upon by Seller and Buyer, the consummation of the transactions contemplated herein (the "Closing") shall take place upon the latest to occur of (i) the satisfaction of all conditions precedent and (ii) within ten (10) days after the FCC Consent shall have become a Final Order (as hereinafter defined) (the "Closing Date"). As used herein, the term "Final Order" means a written action or order issued by the FCC setting forth the FCC Consent (a) which has not been reversed, stayed, enjoined, set aside, annulled or suspended, and (b) with respect to which (i) no requests have been filed for administrative or judicial review, reconsideration, appeal or stay, and the time for filing any such requests and for

the FCC to set aside the action on its own motion (whether upon reconsideration or otherwise) has expired, or (ii) in the event of review, reconsideration or appeal, the time for further review, reconsideration or appeal has expired. Notwithstanding the foregoing, Buyer may elect to proceed with the Closing upon public notice of the grant of FCC Consent but prior to the date on which the FCC Consent shall have become a Final Order upon five (5) days written notice to Seller. Any actions taken at the Closing will be considered as having been taken simultaneously and no such actions will be considered to be completed until all such actions have been completed. The Closing shall be held at such place as the parties hereto may agree.

ARTICLE 6 REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Buyer as follows:

6.1 Organization, Standing, and Authority. Seller is duly organized, validly existing, and in good standing under the laws of the jurisdiction in which it is organized. Seller has all requisite power and authority to execute and deliver this Agreement and the documents contemplated hereby, and to perform and comply with all of the terms, covenants, and conditions to be performed and complied with by it hereunder and thereunder. Seller is not a participant in any joint venture or partnership with any other person or entity with respect to any part of the business or operation of the Station or any of the Assets.

6.2 Authorization and Binding Obligation. The execution, delivery, and performance of this Agreement, and the execution, delivery and performance of any other documents to be delivered or executed in connection with this Agreement and the transactions contemplated by this Agreement, by Seller have been (or will prior to Closing be) duly authorized by all necessary actions on the part of Seller. This Agreement and all other documents have been duly executed and delivered by Seller and constitute the legal, valid, and binding obligations of Seller, enforceable in accordance with their terms except as the enforceability of this Agreement may be affected by bankruptcy, insolvency, or similar laws affecting creditors' rights generally, and by judicial discretion in the enforcement of equitable remedies. Performance of its obligations hereunder will not be in conflict with Seller's obligations under any agreement, judgment, decree or contract.

6.3 Authorizations. The Authorizations have been validly issued pursuant to Final Orders. Seller is the authorized legal holder of the Authorizations. The Authorizations are in good standing and in full force and effect. There are no FCC ongoing investigations or proceedings regarding the Authorizations. Other than the requirement for prior FCC consent, there are no liens, encumbrances or other restrictions on Seller's ability to convey the Authorizations to Buyer.

6.4 Litigation. There are no claims, actions, suits, litigation, labor disputes, arbitrations, proceedings or investigations pending or, to the best knowledge of Seller, threatened

against Seller relating to the Assets or the transactions contemplated by this Agreement. Performance of Seller's obligations hereunder will not give any party grounds to raise such a claim. Seller is not subject to any order, judgment, writ, injunction or decree of any court or governmental agency or entity which could have a material adverse effect on its ability to consummate this transaction.

ARTICLE 7 REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller as follows:

7.1 Organization and Standing. Buyer duly organized, validly existing, and in good standing under the laws of the jurisdiction in which it is organized, and is qualified to do business in the State of Illinois. Buyer has all the requisite power and authority to execute and deliver the Agreement and the documents called for hereby, and to perform all the terms, covenants and conditions required of Buyer hereunder.

7.2 Authorization and Binding Effect. The execution, delivery and performance of this Agreement and the execution, delivery and performance of any other documents to be delivered or executed in connection with this Agreement have been (or by Closing will be) duly authorized by all necessary actions on the part of Buyer. This Agreement and all related documents have been duly authorized and delivered by Buyer, and constitute valid, legal and binding obligations of Buyer, enforceable in accordance with their terms except as enforceability may be affected by bankruptcy, insolvency or similar laws affecting creditors rights, and by judicial discretion in the enforcement of equitable remedies.

7.3 Litigation. There are no claims, actions, suits, litigation, labor disputes, arbitrations, proceedings or investigations pending or, to the best knowledge of Buyer, threatened against Buyer relating to the transactions contemplated by this Agreement. Performance of Buyer's obligations hereunder will not give any party grounds to bring such a claim. Buyer is not subject to any order, judgment, writ or injunction from any court or other governmental agency which could have a material adverse effect on its ability to consummate this transaction.

ARTICLE 8 COVENANTS

8.1 Operation of Business. Between the date of this Agreement and the Closing Date, Seller shall:

- (a) Maintain and preserve Seller's rights under the Authorizations; and
- (b) Without the prior written consent of Buyer, which shall not be unreasonably withheld, Seller shall not:

- (i) Enter into any agreement, contract, lease or commitment, other than agreements cancelable without penalty prior to the Closing Date;
- (ii) Place or allow to be placed on any of the assets or properties relating to the Station any Lien;
- (iii) Sell, assign, transfer or otherwise dispose of any of the Authorizations or Assets;
- (iv) Violate any law, statute, rule, governmental regulation or order of any court or governmental or regulatory authority (whether Federal, State or local);
- (v) Cause or permit by any act, or failure to act, any of the Authorizations to expire, be surrendered, adversely modified, or otherwise terminated, or the FCC to institute any proceedings for the suspension, revocation or adverse modification of any of the Authorizations or fail to prosecute with due diligence any pending applications to the FCC.

8.2 Post-Closing Covenant. Following Closing, should Buyer not be able to secure permission, on terms satisfactory to Buyer for the use of a transmitter site for the Station at a site other than that currently specified in the Station's FCC authorization, Seller will allow Buyer to use the currently specified site as the transmission site for the Station for a period of up to one year from the Closing Date at no additional consideration. Buyer will be fully responsible for all costs of construction and operation during the term of the use of the site by Buyer, and for returning the site to its current condition at the end of the term. Seller represents and warrants that it has all permissions, permits and authorizations necessary for the use of the site as the transmission site for the Station as currently authorized by the FCC.

ARTICLE 9 CONDITIONS

9.1 Conditions Precedent to Obligations of Buyer. The obligations of Buyer to consummate the transactions contemplated by this Agreement are subject to the fulfillment, prior to or at the Closing, of each of the following conditions, except to the extent Buyer shall have waived in writing satisfaction of such condition:

- (a) The representations and warranties made by Seller shall be true and correct in all material respects as of the date of this Agreement and on the Closing Date as though such representations and warranties were made on such date.
- (b) Seller shall have performed and complied in all material respects with all covenants, agreements, representations, warranties and undertakings required by this Agreement

to be performed or complied with prior to the Closing, and shall be prepared to perform any post-closing covenants.

(c) Seller shall have delivered to Buyer all of the documents required by Section 10.1 hereof.

(d) All consents that may be necessary for Buyer to consummate the transaction contemplated hereby shall have been received by it.

(e) The FCC Consent shall have become a Final Order.

(f) The Authorizations shall be in full force and effect.

9.2 Conditions Precedent to Obligations of Seller. The obligations of Seller to consummate the transactions contemplated by this Agreement are subject to the fulfillment, prior to or at the Closing, of each of the following conditions, except to the extent Seller shall have waived in writing satisfaction of such condition:

(a) The representations and warranties made by Buyer in this Agreement shall be true and correct in all material respects as of the date of this Agreement and on the Closing Date as though such representations and warranties were made on such date.

(b) Buyer shall have performed and complied in all material respects with all covenants, agreements, representations, warranties and undertakings required by this Agreement to be performed or complied with by it prior to Closing.

(c) Buyer shall have delivered to Seller all of the documents required by Section 10.2 hereof.

(d) The FCC consent shall have been obtained.

ARTICLES 10 CLOSING DELIVERIES

10.1 Seller's Deliveries. At the Closing, Seller shall deliver or cause to be delivered to Buyer the following:

(a) Bill of Sale, assignments and other good and sufficient instruments of conveyance, transfer and assignment, all in form and substance reasonably satisfactory to counsel for Buyer, as shall be effective to vest in Buyer or its permitted assignee, good and marketable title in and to the Assets.

10.2 Buyer's Deliveries. At the Closing, Buyer shall deliver or cause to be delivered to Seller the Purchase Price.

ARTICLE 11 FEES AND EXPENSES; INDEMNIFICATION

11.1 Expenses. Seller shall pay all transfer taxes, recordation taxes, sales taxes, document stamps, or other charges levied by any governmental entity on account of the transfer of the Assets from Seller to Buyer. Except as otherwise provided in this Agreement, each party shall pay its own expenses incurred in connection with the authorization, preparation, execution, and performance of this Agreement, including all fees and expenses of counsel, accountants, agents, and representatives.

11.2 Indemnification. Each party shall indemnify the other party hereto from any claims by third parties (including legal fees and court costs) arising from such party's breach of any representation, warranty, or covenant in this Agreement, or from such party's negligence or willful misconduct. The party entitled to indemnification shall notify the other promptly of any claim and provide reasonable assistance to the indemnifying party in its defense; the indemnifying party will reimburse the indemnified party for its assistance-related out-of-pocket expenses

ARTICLE 12 REMEDIES

12.1 Specific Performance. The parties recognize that if either parties breaches its obligation to consummate the transactions contemplated by this Agreement and refuses to perform under the provisions of this Agreement, monetary damages alone would not be adequate to compensate the other party for its injury. The non-breaching party shall therefore be entitled, in addition to any other remedies that may be available, including money damages, to obtain specific performance of the terms of this Agreement. If any such action is brought to enforce this Agreement, the breaching party shall waive the defense that there is an adequate remedy at law.

12.4 Attorney's Fees. In the event of a default by either party which results in a lawsuit or other proceeding for any remedy available under this Agreement, the prevailing party shall be entitled to reimbursement from the other party of its reasonable legal fees and expenses.

ARTICLE 13 TERMINATION RIGHTS

13.1 Termination by Seller. This Agreement may be terminated by Seller and the purchase and sale of the Assets abandoned, if Seller is not then in material breach, upon written notice to Buyer, upon the occurrence of any of the following:

(a) Material Breach. If Buyer shall be in material breach of any representation, warranty or covenant contained in this Agreement, or any other agreement between the parties

hereto, Seller has notified Buyer of such breach, and the breach has continued without cure for a period of 30 days after the notice of breach.

(b) Judgments. If there shall be in effect on the date that would otherwise by the Closing Date any judgment, decree, or other that would prevent or make unlawful the Closing.

(c) Upset Date. If the Closing shall not have occurred by October 1, 2003.

13.2 Termination by Buyer. This Agreement may be terminated by Buyer and the purchase and sale of the Assets abandoned, if Buyer is not then in material breach, upon written notice to Seller, upon the occurrence of any of the following:

(a) Material Breach. If Seller shall be in material breach of any representation, warranty or covenant contained in this Agreement, or in any other agreement between the parties hereto, Buyer has notified Seller of such breach, and the breach has continued without cure for a period of 30 days after the notice of breach.

(b) Judgments. If there shall be in effect on the date that would otherwise be the Closing Date any judgment, decree, or order that would prevent or make unlawful the Closing.

(c) Upset Date. If the Closing shall not have occurred by October 1, 2003.

13.3 Rights on Termination. If this Agreement is terminated pursuant to Section 13.1 or Section 13.2 and neither party is in material breach of any provision of this Agreement, the parties hereto shall not have any further liability to each other with respect to the purchase and sale of the Assets. If this Agreement is terminated due to a material breach of this Agreement, then each party shall have all rights and remedies available to it at law or in equity.

ARTICLE 14 MISCELLANEOUS PROVISIONS

14.1 Further Assurances. The parties shall take any actions and execute any other documents that may be necessary or desirable to the implementation and consummation of this Agreement, including, in the case of Seller, any additional transfer documents that, in the reasonable opinion of Buyer, may be necessary to ensure, complete, and evidence the full and effective transfer of the Assets to Buyer pursuant to this Agreement.

14.2 Benefit and Assignment. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. No party may assign its interest under this Agreement without the prior written consent of the other parties,

which consent shall not be unreasonably withheld; provided, however, Buyer may assign its rights hereunder to an affiliated company, without the consent of Seller.

14.3 Governing Law. This Agreement shall be governed, construed, and enforced in accordance with the laws of the State of Illinois without regard to any choice of law or conflict of law provisions (whether of the State of Illinois or any other jurisdiction) that would cause the application of laws of any jurisdiction other than the State of Illinois.

14.4 Amendment. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties hereto.

14.5 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

14.6 Notices. All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be in writing and shall be deemed given upon personal delivery, four days after being mailed by registered or certified mail, return receipt requested, or twenty-four (24) hours after delivery to a courier service which guarantees overnight delivery, addressed as follows:

If to Seller:

Church of Christian Liberty
502 W. Euclid Ave
Arlington Heights,
Illinois 60004

With a copy (which shall not constitute notice) to:

John Wells King
Garvey Schubert Barer
1000 Potomac Street, N.W.
5th Floor
Washington, DC 20007

If to Buyer:

Educational Media Foundation
1425 N. Market Boulevard 5700 West Oaks Blvd.
Suite 9 Rockling CA 95765
Sacramento, CA 94834
Attn: Richard Jenkins

With a copy (which shall not constitute notice) to:

David D. Oxenford, Esq.
Shaw Pittman LLP
2300 N Street, N.W.
Washington, D.C. 20037

or to any other or additional persons and addresses as the parties may from time to time designate in a writing delivered in accordance with this Section.

14.7 Waivers. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof, nor shall such waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

14.8 Entire Agreement. This Agreement and the Schedules attached hereto and the ancillary documents provided for herein, constitute the entire Agreement and understanding of the parties hereto relating to the matters provided for herein and supersede any and all prior agreements, arrangements, negotiations, discussions and understandings relating to the matters provided for herein.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.

EDUCATIONAL MEDIA FOUNDATION



CHURCH OF CHRISTIAN LIBERTY

By: Rig Okenford, Sec.

Declaration Pursuant to 47 C.F.R. § 73.3597

I, Philip D. Roos, do hereby declare and state as follows:

I am an Elder of The Church of Christian Liberty of Arlington Heights, Illinois.

The Church of Christian Liberty ("CCL") is the permittee of unbuilt noncommercial educational FM broadcast station WCLR, Arlington Heights, Illinois. WCLR was the brainchild of Pastor Paul D. Lindstrom, who founded CCL in 1965. His dream was to use WCLR to foster and advance the educational program of CCL and its institutional affiliate, Christian Liberty Academy. Pastor Lindstrom passed away in May 2002. Since then, CCL has determined that it would be in the best interests of the public to be served by the authorized facilities, to place the permit in the hands of an experienced operator that can capably and efficiently complete construction and place the station into operation. That operator is Educational Media Foundation ("EMF").

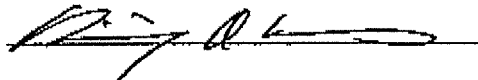
EMF proposes to pay to CCL the sum of Twenty-Five Thousand Dollars (\$25,000) for the WCLR construction permit. As the attached itemization of expenses demonstrates, this payment does not exceed the aggregate amount which CCL legitimately and prudently expended for preparing, filing, and advocating the grant of the construction permit, and other steps reasonably necessary for placing WCLR in operation.

Except for the payment referred to in the preceding paragraph, there are no agreements or understandings for reimbursement of CCL's expenses or other payments to CCL, for CCL's retention of any interest in the station, for options or any other means by which CCL may acquire such an interest, or for any other actual or potential benefit to CCL in the form of loans, the subsequent repurchase of CCL's interest, or otherwise.

I have personal knowledge of these facts.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on May 28, 2003.



WCLR Expenses

Provider	Amount
S. P. Asrow Associates, LLC Architectural Engineers	\$12,507.20
Robert P. Yeoman Consultant	1,362.21
Dickstein Shapiro Morin & Oshinsky LLP Attorneys	8,146.17
D. L. Markley & Associates, Inc. Engineering Services	1,000.00
Duncan, Weinberg, Miller & Pembroke, P.C. Attorneys	2,011.56
Total	\$25,027.14